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SINGAMAS

SINGAMAS CONTAINER HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

Stock code: 0716

DISCLOSEABLE TRANSACTION AND

DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES

From 11 June 2003 to 30 September 2004, both dates inclusive, the Company and the Banks have entered into respective Guarantee Agreements for the provision of the Guarantees by the Company as a result of the entering of the respective Banking Facility Agreements. The Banking Facility Agreements were entered into between SBPC, a jointly controlled entity in which the Group is interested in a 73.2% effective interest, and the Banks and between TPCC, a jointly controlled entity in which the Group is interested in a 90% equity interest, and the Banks for the provision of uncommitted general banking facilities totaling US\$46,000,000 (equivalent to approximately HK\$358,800,000) and US\$45,662,000 (equivalent to approximately HK\$356,163,600), respectively by the Banks for financing both companies' daily working capital requirements. SBPC and TPCC, both are jointly controlled entities of the Group, are treated as affiliated companies under the Listing Rules.

The amount of the Guarantees given for banking facilities of SBPC represented approximately 9.96% of the consolidated total assets of the Group as at 30 June 2004 and 14.46% of the Market Capitalisation of the Company as at 31 October 2004. At the same time, the amount of the Guarantees given for banking facilities of TPCC represented approximately 7.07% of the consolidated total assets of the Group as at 30 June 2004 and 10.27% of the Market Capitalisation of the Company as at 31 October 2004. Accordingly, the provision of the Guarantees by the Company constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. In view of the amount of the Guarantees exceeds 8% of one of the Percentage Ratios, the Company is also required to disclose details of such Guarantees given by the Group pursuant to Rule 13.16 of the Listing Rules.

In addition, the Company has also given guarantees to other banks in support for banking facilities granted to other affiliated companies of the Company. Details of these guarantees given for facilities granted to such affiliated companies of the Company as at 31 October 2004 are also disclosed in this announcement.

The Stock Exchange reserves its rights to take action against the Company and its Directors regarding any non-compliance of the Listing Rules as it may consider appropriate.

A circular containing further details of the Guarantee Agreements will be despatched to the shareholders of the Company as soon as practicable.

DISCLOSEABLE TRANSACTION AND DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES

The Guarantee Agreements

From 11 June 2003 to 30 September 2004, both dates inclusive, the Company and the Banks have entered into respective Guarantee Agreements for the provision of the Guarantees by the Company as a result of the entering of the respective Banking Facility Agreements. The Banking Facility Agreements were entered into between Shanghai Baoshan Pacific Container Co., Ltd (“SBPC”), a jointly controlled entity in which the Group is interested in a 73.2% effective interest, and the Banks and between Tianjin Pacific Container Co., Ltd. (“TPCC”), a jointly controlled entity in which the Group is interested in a 90% equity interest, and the Banks for the provision of uncommitted general banking facilities totaling US\$46,000,000 (equivalent to approximately HK\$358,800,000) and US\$45,662,000 (equivalent to approximately HK\$356,163,600), respectively by the Banks for financing both companies’ daily working capital requirements. SBPC and TPCC, both are jointly controlled entities of the Group, are treated as affiliated companies under the Listing Rules.

The Guarantees were provided by the Company on a joint and several basis to the Banks. The amount of banking facilities on which the Guarantees were given represented approximately 64.97% of total banking facilities of SBPC and represented approximately 77.84% of total banking facilities of TPCC.

The amount of the Guarantees given for banking facilities of SBPC represented approximately 9.96% of the consolidated total assets of the Group as at 30 June 2004 and 14.46% of the Market Capitalisation of the Company as at 31 October 2004. At the same time, the amount of the Guarantees given for banking facilities of TPCC represented approximately 7.07% of the consolidated total assets of the Group as at 30 June 2004 and 10.27% of the Market Capitalisation of the Company as at 31 October 2004. Accordingly, the provision of the Guarantees by the Company constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. In view of the amount of the Guarantees exceeds 8% of one of the Percentage Ratios, the Company is also required to disclose details of such Guarantees given by the Group pursuant to Rule 13.16 of the Listing Rules.

In addition, the Company has also given guarantees to other banks in support for banking facilities granted to other affiliated companies of the Company. Details of these guarantees given for facilities granted to such affiliated companies of the Company as at 31 October 2004 are also disclosed in this announcement.

In accordance with Rule 13.16 of the Listing Rules, details of guarantees given for facilities granted to affiliated companies of the Company, which in aggregate exceeds 8% of the Market Capitalisation of the Company as at 31 October 2004 and the consolidated total assets of the Group as at 30 June 2004 are as follows:

Name of affiliated companies	Notes	Attributable interest held by the Group	Guarantees given US\$'000	Banking facilities drawn under the guarantees US\$'000
Qingdao Pacific Container Co., Ltd. (“QPCL”)	1, 2 & 3	55%	8,000	7,539
SBPC	1, 2 & 3	73.2%	46,000	27,056
TPCC	1, 2 & 3	90%	45,662	19,786
Xiamen Pacific Container Manufacturing Co., Ltd. (“XPCL”)	1, 2 & 3	40%	4,000	4,000

Notes:

1. There is no committed capital injection to the affiliated companies of the Company.
2. The “guarantees given” represented the relevant amount of guarantees given by the Company relating to the banking facilities granted to the affiliated companies. Save as disclosed above, the Company has not granted any other financial assistance to its affiliated companies and there is no other terms in relation thereof. No fees has been received by the Company in relation to the guarantees given.
3. The respective remaining interest of QPCL, SBPC, TPCC and XPCL is held by independent third parties not connected with the Directors, chief executive and substantial shareholders of the Company and its subsidiaries and their respective associates (as defined under the Listing Rules).

The total amount of guarantees given for banking facilities granted to its affiliated companies by the Company represented approximately 32.6% of the Company’s Market Capitalisation as at 31 October 2004 and approximately 22.4% of the consolidated total assets of the Group as at 30 June 2004. Other than disclosed above, the Company has not given any financial assistance to its affiliated companies.

The Company will fulfill the continuing disclosure obligations under Rule 13.22 of the Listing Rules so long as circumstances giving rise to such disclosure obligation continue to exist.

Reasons For And Benefits Of The Entering Into The Guarantee Agreements

The Group is interested in 73.2% and 90% equity interest of SBPC and TPCC respectively. SBPC and TPCC, both are jointly controlled entities of the Group and which, in accordance with Hong Kong Financial Reporting Standards, are recorded using the equity method of accounting in the financial statements of the Company, are treated as affiliated companies under the Listing Rules. SBPC and TPCC, principally engaged in the manufacturing of conventional dry freight and specialised containers, are strategically located in the fast growing ports of Shanghai and Tianjin respectively. Due to the increasing trade activities in the regions, demand for new containers has been strong in those areas which in turn has increased the overall working capital requirements of SBPC and TPCC. The Guarantee Agreements were entered into as a result of obtaining the adequate banking facilities for financing the working capital requirements of SBPC and TPCC.

The Directors (including the independent non-executive Directors) consider that the Guarantee Agreements were entered into on normal commercial terms and the terms thereof are fair and reasonable so far as the Company and the shareholders of the Company as a whole are concerned.

TIMING OF DISCLOSURE

There has been a delay in the publication of this announcement which constitutes a breach of Chapter 14 of the Listing Rules. The delay is due to the fact that the Company has misinterpreted Rule 14.04(1)(e) of the Listing Rules. The delay in making this announcement was unintentional. Notwithstanding this delay, the Directors consider that the Company has always been well prepared and used its best endeavours to fully comply with the Listing Rules. The Stock Exchange reserves its rights to take action against the Company and its Directors regarding any non-compliance of the Listing Rules as it may consider appropriate.

GENERAL

The principal activities of the Group are engaged in the container-related businesses. The Directors of the Company believe that the entering into the Guarantee Agreements is in the interest of the Company and in line with the Group’s business objectives enabling the Group to capture more business activities and therefore enhances the Group’s overall profitability.

As at 31 October 2004 and up to the date of this announcement, there were 611,228,760 ordinary shares of the Company in issue.

A circular containing further details of the Guarantee Agreements will be despatched to the shareholders of the Company as soon as possible.

DEFINITIONS

“affiliated company(ies)”	Has the meaning as ascribed to it under the Listing Rules
“Banking Facility Agreements”	Banking facility agreements entered into from June 2003 to September 2004, respectively between SBPC and the Banks and between TPCC and the Banks for the provision of US\$46,000,000 (equivalent to approximately HK\$358,800,000) and US\$45,662,000 (equivalent to approximately HK\$356,163,600) banking facilities respectively
“Banks”	The Banks who act as the lenders of the uncommitted general banking facilities granted to SBPC and TPCC and the parties to the respective Guarantee Agreements and the Banking Facility Agreements
“Company”	Singamas Container Holdings Limited, the shares of which are listed and traded on the Stock Exchange and the Singapore Exchange Limited
“Directors”	The directors of the Company
“Group”	The Company together with its subsidiaries
“Guarantees”	Corporate guarantees totaling US\$46,000,000 (equivalent to approximately HK\$358,800,000) and US\$45,662,000 (equivalent to approximately HK\$356,163,600), respectively provided by the Company on a joint and several basis to the Banks in securing the uncommitted general banking facilities of SBPC and TPCC
“Guarantee Agreements”	The guarantee agreements entered into from 11 June 2003 to 30 September 2004, both dates inclusive, between the Company and the Banks for the provision of the Guarantees by the Company
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Market Capitalisation”	The total market capitalisation of the Company as at 31 October 2004 amounting to HK\$2,481,588,766 (equivalent to approximately US\$318,152,406) based on the total number of 611,228,760 shares of the Company in issue on 31 October 2004 and the average closing price of HK\$4.06 for the five business days immediately preceding 31 October 2004.
“Percentage Ratios”	The percentage ratios under Rule 14.07 of the Listing Rules, other than the revenue ratio, equity capital ratio and profit ratio

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	U.S. dollars, the lawful currency of United State of America
“%”	Per cent.

On Behalf of the Board
Chang Yun Chung
Chairman

Hong Kong, 17 November 2004

The directors of the Company as at the date of this announcement are Mr. Chang Yun Chung (also known as Mr. Teo Woon Tiong), Mr. Teo Siong Seng, Mr. Hsueh Chao En and Mr Teo Tiou Seng as executive directors, Mr. Kuan Kim Kin as non-executive director and Mr. Ngan Man Kit, Alexander, Mr. Ong Ka Thai and Mr. Soh Kim Soon as independent non-executive directors.

Unless otherwise specified, conversion of US Dollars into Hong Kong Dollars is based on the exchange rate of US\$1.00 = HK\$7.80.

Please also refer to the published version of this announcement in The Standard.